

W₂ASACT Meeting Minutes
June 10, 2008
Department of Commerce Building
301 South Park Avenue
Treasure State Conference Room (in the Basement)
Hosted by – Department of Commerce
10:00 a.m. to 12:30 p.m.

MEMBERS PRESENT INCLUDED

Todd Teegarden	DEQ/SRF	Debra Demarias	MDOC/TSEP
Jim Edgcomb	MDOC/TSEP	Lesa Evers	MDOC/ICED
Bob Fischer	DNRC	Carolyn Jones	MDOC/CDBG
Nancy Geary	DEQ/SRF	Pam Higgins	MAP
Nick Clos	MRWS	Paul Torok	MAP
Kim Hayes	MDOC/TSEP	Steve Troendle	USDA/RD
Rick Duncan	DNRC	Chris Colberg	USDA/RD
Dave Cole	MDOC/CDD	Janet Held	USDA/RD
Mark Smith	DEQ/SRF	Linda Stangland	MDOC/Coal Board
Louise Welsh	BOI	Joe LaForest	MDOC/Coal Board
Pam Smith	DNRC/RRGL	Craig Pozega	Great West Engineering

CALL TO ORDER, SIGN-IN SHEET, AGENDA CHANGES

The scheduled meeting of the Water, Wastewater, and Solid Waste Action Coordinating Team (W₂ASACT) was called to order at 10:10 a.m., June 10, 2008, by Todd Teegarden, Chair. A sign-in sheet, agendas and minutes of the last meeting were made available to those in attendance. Kim Hayes moved to approve the minutes; Dave Cole seconded the motion; the minutes were approved and adopted. There were no changes made to the agenda.

Each of the attendants introduced themselves.

ITEMS FOR REVIEW AND DISCUSSION

Updates from subcommittees:

Workshops – Bob Fischer: Nothing

Uniform Application – Jim Edgcomb: Nothing

Standard Documents – Bob Fischer, update on new documents: The EJCDC contracts (both engineering and construction) are currently being updated from the 2002 to the 2007 edition by EJCDC. Supplements will be modified accordingly upon final notification of the changes. This item will remain on the agenda until further developments can be reported.

Internet Website – Pam Smith: Pam is still waiting for DNRC website issues to be worked out; then the W₂ASACT site will be addressed. First priority will be making it more visible to the public.

Summer Picnic – Mark Smith and Bob Fischer: We decided to schedule the meeting on August 12th at 1:00 pm at DEQ followed by a picnic follow at the lake. Members are asked to submit any ideas regarding what the picnic should entail, the location, or who should attend, to Mark or Bob at least a week before the scheduled date. They need to make arrangements for the refreshments in advance of the meeting, so an email will be coming out to get a head count. Plan to attend and have some fun!

UPDATE ON ONGONG TOPICS:

Emergency Projects – Bob Fischer: There has only been one emergency project funded this year. The Helmville school water tested over the limit for coliforms, so RRLG gave them a \$10,000 grant to fix the problem. The project has been completed.

Tribal Issues – Jim Edgcomb: Communication needs to be improved between the Tribe and the engineers of the Blackfeet Project.

The Interceptor Project (Phase I) at Crow Agency is nearing completion. After HUD issues are laid to rest, the Lagoon Project (Phase II) will have all its funding in place.

REGIONAL WATER PROJECTS – RICK DUNCAN:

Fort Peck-Dry Prairie

At the Fort Peck Tribes MR&I project, which is the combined contract for the clear wells and the washwater recovery basin at the water treatment plant (WTP) location east of Wolf Point, Apollo Construction appears to have resolved the problems with aggregate used for the concrete, and is now stockpiling aggregate. For Dry Prairie, there are updates on a number of activities:

1. On the west side, Boeing/MARCO has contracted with a private engineering firm to oversee the flow test that DEQ recommended for the existing pipeline facilities carrying raw water from the Missouri up to the WTP at St. Marie.

2. The North Valley County Water & Sewer District has decided to opt out of membership in Dry Prairie. There is an RD loan, a TSEP grant, and an RRGL grant for the approximately \$2.3 million project

3. DEQ has approved the deviation request for the increased capacity request for the Town of Culbertson's WTP. Dry Prairie is working with Tonka for purposes of upgrading the WTP via installation of the third filter bay. This will allow Dry Prairie to -- among other projects -- route a pipeline to the boundary of the Reservation at the Big Muddy River, from which point the Fort Peck Tribes will construct a pipeline to the community of Fort Kipp, which has significant water quality problems.

4. Plans for construction of the O&M Building in Culbertson are moving ahead, although costs are a concern; Dry Prairie's consultants are researching the differences in costs for steel versus wood construction.

Rocky Boy's-North Central

The North Central Authority has approved the construction of a pipeline to the North Havre County Water District, which is currently in violation of DBP rules. That pipeline will be constructed from some location on the City of Havre's north side to a nearby point of connection with the District's water mains.

The Chippewa-Cree Tribe plans to construct a pipeline from the reverse osmosis (RO) plant at the Northern Winz Casino north of Box Elder to the Town of Box Elder. There is a request for \$1 million of State TSEP Regional Water fund monies to be passed through the Authority to the Tribe. DNRC is working with all parties on the details. This will be to compensate for a portion of the funds that the State is obligated to contribute to the construction of the Core portion of the regional system.

Reclamation, the Authority, the Chippewa-Cree Tribe and DNRC met on April 14 to discuss accounting practices of the different entities in the regional water project. Next meeting is scheduled for Monday, September 15 at the DNRC offices in Helena.

Musselshell-Judith RW Project

The Authority is investigating the possibility of locating its principal well field in another location than the site of the test well at Utica. Estimates of costs of piping the water for the rest of the system south to Judith Gap in a large pipeline are one significant concern. The other is that the cost of a nest of wells at the current location, with depths of ~4,000 feet to access water of the Madison Formation are further prohibitive.

Dry-Redwater

The environmental consulting firm of Golder and Associates (Colorado) has begun the preliminary environmental work for the intake to WTP route, and the pipeline to Town of Circle. Wetlands and endangered species are the focus of the studies at this stage. There is nothing new to report on the status of the proposed authorizing legislation.

W₂SACT Project Tracking Sheet – Jim Edgcomb: Jim handed out an updated Project List. Thanks! Future changes will be put on the W₂ASACT website. Check the status of projects listed and make sure he is informed of any changes (jedgcomb@mt.gov). Member participation is the only way Jim has of keeping this list up-to-date. Jim handed out spreadsheets of the 2008 TSEP Grant Applications and CDBG Grant Applications.

Army Corps of Engineers – Sect. 595 Program & Projects – Pam Smith: Pam handed out the Section 595 Status of Projects 20089 sheet. Please call Pam (444-6839) if you have any questions on the 595 spreadsheet. Timothy Shaw is new with the Corps in Seattle and would like to be included in conference calls on any of the listed projects. He is also interested in attending W₂ASACT meetings. His information has been sent to Todd Teegarden so he can be put on the email list.

Pam is in constant contact with Senator Baucus' office regarding the costs of the Army Corps of Engineers, trying to keep the money flowing into the projects. She has also sent lists of the TSEP and CDBG Grants to the Senators' (Tester and Baucus) offices, because they are now in the process of going through all proposals submitted for next October. They want to determine what projects each program has in common before approving funding.

STAG project updates – Todd Teegarden: Three grants were awarded in '07: Crow Agency Wastewater and Lagoon, City of Helena Water, and Conrad Wastewater. The SRF program is still awaiting guidance from EPA to administer these grants. The SRF Priority Lists for Drinking Water and Wastewater are open for public comment for SFY 2009.

Alice Stanley – Discussion of Governor's Office of Indian Affairs/funding options: She sends her apologies to the group, but could not attend the meeting. Her presentation has been postponed until a future meeting, when the Tribes will be formally invited to attend and participate.

Program / Project Updates – Everyone:

Steve Troendle (RD) gave an overview of his program as it stands today. Because of new staff, things are running a little behind.

The biggest change was in the Farm Bill, which will now use two different formulas to calculate interest rates for their funding. Steve handed out a sheet listing the breakdown for interest rates for the next year. This will decrease the amount of money available for allocation by \$700,000 in loan funds and \$300,000 in grant funds. Backlog funding means completed projects go on a list for funding where every \$1 available will equal \$1 in funding for Grants or \$7.50 in Loans. As time goes by, there will be less funding available. Allocated money must be half spent by April. Also, there is a pooling of the funds by the national office and redistribution of the final amount to states with projects that are ready to go. This funding must be used by August or the money will go back to the national pool. At the present, there are more requests submitted than money to spend, so the program should not have to return any of the allocated funding. RD must be able to document that 90% of the systems financed are financially viable.

RD also runs the Community Facilities Program with an approximate State allocation of \$153,000 for grants and \$3,000,000 for loans. Applications have been received and projects must be completed by August to compete for this funding.

There has been a restructuring of the Montana's RD into five area offices. The Helena office is now a sub-office of Bozeman. Steve is the Director of the water and community facility programs; the staff in each area office are the initial contacts for all programs.

There are RD program specific requirements for their Environmental Reports. The SRF environmental reports are close to matching RD's requirements, but not entirely. Therefore, a separate report is currently needed. Steve's goal for the year is getting programs to revise their requirements so that a joint Environmental Report may be issued. Todd mentioned that the SRF and CDBG programs now do a joint environmental review and are open to looking at options to reduce duplication and costs.

Under a normal funding cycle, all match money must be expended before RD funds will be utilized on a project. In cases of cost overruns on projects funded by RD, any additional money approved must be in the loan and not the grant.

With RD, there is a different meaning for the terms *interim* and *bridge* financing. *Bridge financing* is money that allows a project to get underway, while *interim* means borrowing from a lender until the project is completed. RD funds are only available for reimbursement of 'eligible scope of work' costs once construction contract documents have been signed and an interim financing agreement is in place on loans more than \$500,000. Smaller loans can reimburse costs as construction occurs.

Chris Colberg, with RD, was introduced to the group and is now located in Helena. He handles compliance reviews of water proposals with over \$1 million in loan funds. He also provides technical and accounting assistance to all borrowers.

Jim Edgcomb (TSEP) called attention to the CDBG and TSEP Grant Applications spreadsheets, as well as a list of Funding Packages for TSEP Applications in 2008, which were handed out earlier. Kate Miller and Richard Knatterud are busy reviewing the technical aspects of the applications. Also, Kate is now a licensed PE.

Linda Stangland (MDOC) Joe LaForest will leave the DOC on Friday. The Northern Cheyenne PER for the Muddy Cluster Waterline Project running between Lame Deer and Muddy Cluster was approved by the Coal Board. Lodge Grass will approach the board in June with a PER for a wastewater and water storage project. The Crow Tribe has come to the Board on different occasions to apply for equipment money for the Apsáalooke Water and Wastewater Authority.

Bob Fischer (DNRC) stated that his program is very pleased with the new group of consultants hired to help with their grant review process. 92 applications have been received and are being reviewed. 55 of those applications are public works projects, and all but about 10 are also TSEP applications. Alicia Stickney will be starting in about a week, mostly in the RRGL Program, working with Natural Resource Projects.

Pam Smith (DNRC) 19 of the applications received were irrigation projects. The amount of money being spent is just about as much for repair and replacement of irrigation systems as is going for infrastructure projects.

Pam Higgins (MAP) brought copies of the SOURCE publication for anyone who would like copies. She mentioned that MAP has a new website that is more all-encompassing of what is done in the nine states served. Pam also welcomed two new employees, Dustin White and Lee McClowsky who is a training director for the nine-state region.

Mark Smith (DEQ/DWSRF) The SRF Programs are in their comment period for the Intended Use Plans and Priority Lists for the upcoming fiscal year. The public hearing will be on June 13th, and the lists can be found on the DEQ website for those who care to see them. The lists become final about July 1st, with the beginning of the 2009 fiscal year.

Todd Teegarden (DEQ) thanked MDOC for hosting this meeting. He also announced that current Agendas and Approved Minutes of Meetings are now being placed on the W₂ASACT website.

A list of contacts for the *TSEP/DNRC Construction Grant Applications in 2008*, with a DEQ project contact, will be emailed to the group. The SRF program and DEQ will commit to giving a verbal assessment of the proposed projects, but may not have much information on certain projects and will not review any PER's or give written comments. but may not have much information on certain projects

Louise Welsh (MDOC/BOI) - Dennis Horn was hired recently.

Dave Cole (MDOC/CDD) As applications are being evaluated, it might be a good idea to check with the Local Government Services Bureau, Department of Administration, to make sure the communities' financial management is okay.

Steve Troendle (RD) Form SF271 has been put into Excel format to alleviate the problems with typing requests.

Craig Pozega (Great West Engineering) Do any of the programs need extra PERs? No one felt they would be needed.

OTHER ISSUES AND LOGISTICS OF NEXT MEETING

The next meeting will be held at 1:00 p.m. on August 12, 2008. DEQ will host the meeting in Room 111, the Administrative Conference Room, at 1520 E 6th Ave. in Helena. – The summer picnic (at the lake) will follow.

Adjournment

The meeting was adjourned at approximately 12:30.